

FISCAL NOTE

Bill #: SB0080

Title: Submit 6-mill levy to electorate

Primary

Sponsor: Charles “Chuck” Swysgood

Status: Introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
State Special Revenue	\$28,130	\$0
Revenue:		
State Special Revenue	\$14,846,000	\$15,314,000
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
X		Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. The ballot issue passes the vote of the people.
2. Based on projected current law taxable valuations and non-levy revenue levels, it is estimated that a statewide mill levy of six mills would generate \$14,846,000 in FY 2000 and \$15,314,000 in FY 2001. (LC0052 Revenue Oversight Committee estimates).

(continued)

Secretary of State

3. For purposes of CI-75 and submitting SB 80 to the electorate, this issue is only one of many likely to be submitted. Therefore, the impact presented in the fiscal note is only for the “extra” (marginal) cost which would be incurred by the state in preparing a Voter Information Packet (VIP) for the specific issue contained in the proposed bill. The VIP circulation is 525,000.
4. SB 80 will require at least 5 pages of explanation to be printed in the VIP at .00236 cents per page for a total cost of \$6,195. (5 x .00236 x 525,000)
5. Although counties also will incur a cost for distribution of the VIP, funding will be distributed to the counties by the Secretary of State for this purpose. County cost is .008356 per page for a total of cost of \$21,935. (5 x .008356 x 525,000)
6. Although the Secretary of State does not have a general fund budget, the cost of submitting these issues to the electorate will be supported with general fund.
7. In the event the SB 80 six mill levy is adopted, thereby generating the proposed state special revenue, the general fund would be reimbursed the \$28,130 cost of the ballot. (\$6,195 from #2 and \$21,935 from #3)
8. The Secretary of State will maintain records of the marginal cost for each ballot issue and notify agencies of the general fund reimbursement due after the election. Each agency will receive a one-time-only transfer appropriation for this purpose.
9. For purposes of the general fund balance in the Fiscal Summary on page 1, it is assumed the SB 80 issue is adopted by the voters.

FISCAL IMPACT:

	<u>FY2000</u> <u>Difference</u>	<u>FY2001</u> <u>Difference</u>
Secretary of State		
<u>Expenditures:</u>		
Operating Expenses	\$6,195	\$0
Transfer to Counties	<u>\$21,935</u>	<u>\$0</u>
TOTAL	\$28,130	\$0

Funding:

State Special Revenue (02)	\$14,846,000	\$15,314,000
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Net Impact to Fund Balance (Revenue minus Expenditure):

State Special Revenue (02)	\$ 14,817,870	\$15,314,000
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TECHNICAL NOTES:**Secretary of State**

1. Upon passage and approval of the SB 80 ballot issue by the electorate, the Secretary of State would bill the Office of the Commissioner of Higher Education \$28,130 for its proportionate share of the VIP and for its proportionate share of the distribution costs incurred by the counties to be paid from the new state special revenue created by approval.
2. If the ballot issue were not approved, the general fund appropriated in HB2 would bear the cost.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

CI -75: For SB80 the mailing costs of the VIP and the extra item on the ballot would be marginal costs. Assuming 5 pages for this issue at .008356 per page distributed to 525,000 addresses, counties would incur a cost of \$28,130 in FY 2000. See the third assumption of Secretary of State.

TECHNICAL NOTES in consideration of CI-75

1. The costs presented for the SB 80 ballot issue will be included in a comprehensive analysis of the planned electorate vote(s) prior to the end of the session, based on all ballot issues adopted by the 56th Legislative Assembly.
1. When considering the comprehensive costs of an electorate vote, any costs greater than \$194,203 which are distributed to the counties must be funded by the Legislature (1-2-112, MCA).
2. For FY2000, a statewide election would have a base cost of \$690,000 for the counties and \$46,987 for the state for total general fund of \$736,987. General fund will be appropriated in HB2 to the Secretary of State for this statewide base cost and all the cumulative per-ballot-issue marginal costs at the end of the session.
3. In FY 2001, a tax election would be combined with a general election and would, therefore, require only marginal costs for ballot issues.